



# MILSBILLS

MILitary

Standard

BILLing

System

DEPARTMENT OF DEFENSE  
Office of THE ASSISTANT SECRETARY OF DEFENSE  
(Comptroller)



# DEFENSE LOGISTICS AGENCY

DoD 4000. 25-7-M

HEADQUARTERS  
CAMERON STATION  
ALEXANDRIA, VIRGINIA ~~22304~~ 22304-6100

DLSSO

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## FOREWORD

This manual is issued under the authority of DoD Directive 4000.25, Administration of Defense Logistics Standard Systems. Its purpose is to prescribe data elements and codes, standard procedures and formats to be followed in using the Interfund Billing System, for billing and related adjustments, collections, and accounting for sales of materiel.

The provisions of this manual apply to the Office of the Secretary of Defense, the Military Departments, the Organization of the Joints Chiefs of Staff, the Unified and Specified Commands, the Defense Agencies (hereafter referred to collectively as "DoD Components"), and by agreement, the General Services Administration.

This manual is effective immediately and is mandatory for use by all DoD Components. Heads of DoD Components may issue supplementary instructions only when necessary to provide for unique requirements within their respective component.

DoD Components may obtain copies of this manual through their own publication channels. Other Federal agencies and the public may obtain copies from:

HQ, Defense Logistics Agency  
Attention: DLA-XPD  
Cameron Station  
Alexandria, Virginia 22304- 6100

Send recommended changes to this manual to your focal point. Focal points are identified in chapter 1.

BY ORDER OF THE DIRECTOR

GEORGE A. WHITE  
Colonel, USAF  
Staff Director, Administration

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# Military Standard Billing System

## TABLE OF CONTENTS

	<u>Page</u>
FOREWORD	i
TABLE OF CONTENTS	iii
FIGURES	vii
ACRONYMS AND ABBREVIATIONS	ix
REFERENCES	xiii
DEFINITIONS AND TERMS	xv
CHAPTER 1 - ADMINISTRATIVE AND GENERAL	
A. Authority	1-1
<b>B.</b> Purpose	1-1
<b>C.</b> Applicability	1-1
D. Policy	1-1
E. Responsibilities	1-2
F. Focal Point Committee	1-6
G. Publication of the Manual	1-7
H. Proposed Changes	1-9
I. Approved Changes	1-10
J. Supplemental Procedures	1-11
K. Quarterly Status Review	1-11
L. Semiannual Implementation Status Report <b>(RCS: DD-M (SA) 1419)</b>	1-11
M. Noncompliance with Prescribed <b>MILSBILLS</b> Procedures and Other Unresolved Problems	1-12
<b>N.</b> Minimize Conditions	1-12
<b>O.</b> Simulated Mobilization Exercise	1-12
CHAPTER 2 - BILLING PROCEDURES	
A. Billing Policies	2-1
<b>B.</b> Criteria for Billing	2-1
<b>C.</b> Preparation of Bills	2-2
D. Retail Loss Allowance	2-4
E. Into-Plane Fuel Sales	2-8
F. Automotive Vehicles	2-9
G. Optional Billing Procedure for Fresh Fruits and Vegetables	2-9
H. Billing for Accessorial and Administrative Costs	2-10
<b>I.</b> Billing for Progress and Advance Payments	2-12
<b>J.</b> Correction of Erroneous Billings	2-13
K. Cancellations	2-13
L. Retention of Billing Records	2-13
M. Routing and Retention of Interfund Bills by the DAASO	2-13

## CHAPTER 3 - PROCESSING AND PAYMENT OF BILLS

<b>A.</b>	Payment of <b>Noninterfund</b> Bills	<b>3-1</b>
<b>B.</b>	Processing <b>Interfund</b> Bills	3-1
<b>C.</b>	Adjustments	3-1

## CHAPTER 4 - ADJUSTMENT PROCEDURES

<b>A.</b>	Requesting Adjustments	4-1
<b>B.</b>	Canceling or Amending Requests for Adjustment	4-2
<b>C.</b>	Follow up on Unanswered Requests for Adjustment or MRP Credit	4-2
<b>D.</b>	Processing Adjustments and Requests for Adjustment or MRP Credit	4-3'
<b>E.</b>	Incomplete <b>Bill</b> Procedures	4-4
<b>F.</b>	Billing Status Procedures	4-4
<b>G.</b>	Bill Copy Procedures	<b>4-4</b>
<b>H.</b>	Request Rebilling Under <b>Noninterfund</b> Procedures	<b>4-5</b>
<b>I.</b>	Adjustments for Discrepancy Reports	4-6
<b>J.</b>	Adjustments for Billing Errors	4-7
<b>K.</b>	Adjustments for Change Notices	4-10
<b>L.</b>	Credits for Excess Reports (Materiel Returns Program)	4-11
<b>M.</b>	Disputed <b>Responses</b> to Requests for Adjustment	4-11

## CHAPTER 5 - INTERFUND BILLING SYSTEM PROCEDURES

<b>A.</b>	Policy	5-1
<b>B.</b>	Principles of the <b>Interfund</b> Billing System	<b>5-1</b>
<b>C.</b>	Preparation of <b>Interfund</b> Bills	<b>5-2</b>
<b>D.</b>	Interfund Reports	5-2
<b>E.</b>	Statement of <b>Interfund</b> Transactions	5-2
<b>F.</b>	Service or Agency Level <b>Interfund</b> Procedures	5-7

CHAPTER 6 - LOGISTICS INFORMATION **DATA** SERVICES REPORTS

<b>A.</b>	General	6-1
<b>B.</b>	Billing Adjustments by Billing <b>Office</b>	6-1
<b>C.</b>	<b>Interfund</b> Bills by Billing Office	6-2
<b>D.</b>	<b>Interfund</b> Bills by Billed Office	6-2
<b>E.</b>	Interfund <b>Bills</b> Rejected by OAASO	6-2
<b>F.</b>	<b>Interfund</b> Bill Retransmission Requests	6-2

## APPENDIX A - CODES

<b>A1</b>	Document Identifier	A1 - 1
<b>A2</b>	Fund	A2-1
<b>A3</b>	Billing Advice	A3-1
<b>A4</b>	Billing Status	A4-1

		<u>Page</u>
AS	Type of Bill	AS-1
A6	Recipient of Billing Status	<b>A6-1</b>
A7	Sales Price Condition	A7-1
A8	Delivery Source	<b>A8-1</b>
A9	Transportation Bill	A9-1
<b>A10</b>	Stock Fund or <b>Nonstock</b> Fund	A10-1
<b>A11</b>	GSA Store Numbers	<b>A11-1</b>
<b>A12</b>	Signal	<b>A12-1</b>
<b>A13</b>	Information Indicator	<b>A13-1</b>
<b>A14</b>	Other Codes	<b>A14-1</b>

## APPENDIX B - BILLING RECORD FORMATS

<b>B1</b>	<b>FA1/FA2-</b> Billing for <b>Issue</b> from Stock	<b>B1-1</b>
<b>B2</b>	<b>FB1/FB2-</b> Billing for Direct Delivery of Stocked Items	B2-1
<b>B3</b>	<b>FC1/FC2-</b> Billing for Decentralized, <b>Noncatalogued</b> , and Nonstocked Items	B3-1
B4	<b>FD1/FD2-</b> Credit for Excess' Materiel Return	<b>B4-1</b>
B5	<b>FE3/FE4-</b> Notice of <b>Nonreimbursable</b> Issue	B5-1
B6	<b>FF1/FF2-</b> Billing for DoD Dependent School <b>Supplies</b>	B6-1
B7	<b>FG1/FG2-</b> GSA <b>Self-Service</b> Store and Customer Supply Center Billing	B7-1
B8	<b>FJ1/FJ2-</b> Billing for Bulk Petroleum	<b>B8-1</b>
B9	<b>FL1/FL2-</b> Retail Loss Allowance	B9-1
<b>B10</b>	<b>FN1/FN2-</b> Accessorial and Other Miscellaneous Billings	<b>B10-1</b>
<b>B11</b>	<b>FP1/FP2-</b> Billing for Into-Plane <b>Issues</b>	<b>B11-1</b>
<b>B12</b>	<b>FQ1/FQ2-</b> Billing for Transportation	<b>B12-1</b>
<b>B13</b>	<b>FR1/FR2-</b> Billing for Export Transportation	<b>B13-1</b>
<b>B14</b>	<b>FS1/FS2-</b> Summary <b>Billing</b> Record	<b>B14-1</b>
<b>B15</b>	<b>FU1/FU2-</b> Progress Payment Billing	<b>B15-1</b>
<b>B16</b>	<b>FV1/FV2-</b> Billing for Summarized <b>FF&amp;V</b> Issues	<b>B16-1</b>
<b>B17</b>	<b>FW1/FW2-</b> Cash Discounts	<b>B17-1</b>
<b>B18</b>	<b>FX1/FX2-</b> Trade, Quantity, and Other Allowances	<b>B18-1</b>

## APPENDIX C - ADJUSTMENT RECORD FORMATS

	<b><u>FAC/FAE/FAF-</u></b> Request for Adj. of Non-Fuel Billing:	
<b>c1</b>	<b>Billing A</b> Advice Code <b>"11"</b>	<b>c1-1</b>
<b>C2</b>	<b>Billing</b> Advice Code <b>"12"</b>	C2-1
<b>C3</b>	Billing Advice Code "13"	C3-1
<b>C4</b>	Billing Advice Code "14"	<b>C4-1</b>
<b>C5</b>	Billing Advice Code "15"	C5-1
<b>C6</b>	Billing Advice Code <b>"17"</b>	<b>C6-1</b>
<b>C7</b>	Billing Advice Code "18"	<b>C7-1</b>
<b>C8</b>	Billing Advice Code "19"	C8-1
<b>C9</b>	Billing Advice Code "20"	<b>C9-1</b>

					Page
C10	Billing Advice Code	"21"			C10-1
C11	Billing Advice Code	"23"			C11-1
C12	Billing Advice Code	"24"			C12-1
C13	Billing Advice Code	"26"			C13-1
C14	Billing Advice Code	"34"			C14-1
C15	Billing Advice Code	"41"			C15-1
C16	Billing Advice Code	"51"			C16-1
C17	Billing Advice Code	"52"			C17-1
C18	Billing Advice Code	"55"			C18-1
C19	<b>FAR/FAS-</b>	Reply to Request for Adj. of Non-Fuel Billing			C19-1
	<b>FJC/FJE/FJF-</b>	Request for Adjustment of Fuel Billing:			
C20	<b>Billing Advice Code</b>	<b>"11"</b>			C20-1
C21	Billing Advice Code	"12"			C21-1
C22	Billing Advice Code	"13"			C22-1
C23	Billing Advice Code	"14"			C23-1
C24	Billing Advice Code	"15"			C24-1
C25	Billing Advice Code	"17"			C25-1
C26	Billing Advice Code	"18"			C26-1
C27	Billing Advice Code	"19"			C27-1
C28	Billing Advice Code	"20"			C28-1
C29	Billing Advice Code	"21"			C29-1
C30	Billing Advice Code	"23"			C30-1
C31	Billing Advice Code	"24"			C31-1
C32	Billing Advice Code	"26"			C32-1
C33	Billing Advice Code	"34"			C33-1
C34	Billing Advice Code	"41"			C34-1
C35	Billing Advice Code	"51"			C35-1
C36	Billing Advice Code	"52"			C36-1
C37	Billing Advice Code	"55"			C37-1
C38	<b>FJR/FJS-</b>	Reply to Request for Adj. of Fuel Billing			C38-1
C39	<b>FTB-</b>	Reply to <b>Followup</b> for MRP Credit			C39-1
C40	<b>FTP-</b>	Followup for Materiel Returns Program Credit			C40-1
C41	<b>QB1-</b>	Request for Retransmission of Interfund Bill			C41-1

FIGURES

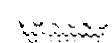
<u>FIGURE</u>	<u>TITLE</u>	<u>Page</u>
2-1	Sample SF 1080	2-5
2-2	Sample SF 1080-EDP	2-6
2-3	Sample GSA Form 789	2-7
2-4	Sample GSA Format 952	2-10
<b>5-1</b>	<b>DD</b> Form 1400, Statement of Interfund Transactions	5-3
<b>5-2</b>	DD Form <b>1400m</b> , Statement of Interfund Transactions	5-4
<b>5-3</b>	Statement of Intragovernmental Transactions	5-5

## ACRONYMS AND ABBREVIATIONS

<u>Acronym or Abbreviation</u>	<u>Definition</u>
<b>ACP</b>	Allied Communications Publication
<b>AFAFC</b>	<b>Air</b> Force Accounting and Finance Center
<b>AFR</b>	Air Force Regulation
<b>AMCL</b>	Approved <b>MILSBILLS</b> Change Letter
APO	Army/Air Force Postal Office
APOD	Aerial Port of Debarkation
AR	Army Regulation
<b>ARFCOS</b>	Armed Forces Courier Services
ASD	Assistant Secretary of Defense
<b>ASD(C)</b>	Assistant Secretary of Defense (Comptroller)
<b>ASD(MI&amp;L)</b>	Assistant Secretary of Defense (Manpower, Installations, and Logistics)
AUTODIN	Automatic Digital Network
<b>AV</b>	<b>AUTOVON</b> (Automatic Voice Network)
<b>BAC</b>	Billing Adjustment Code
BSC	Billing Status Code
CAO	Central Accounts Office
CAS	Contract Administration Services
<b>COMM RI</b>	Communications Routing Identifier
CONUS	<b>Conterminous</b> United States
DAAS	<b>Defense</b> Automatic Addressing System
<b>DAASO</b>	<b>Defense</b> Automatic Addressing System Office
<b>DASD(MS)</b>	<b>Deputy</b> Assistant Secretary of Defense (Management Systems)
D BR	Detail Billing Record
DFSC	Defense Fuel Supply Center
OFSP	<b>Defense</b> Fuel Support Point
<b>DI</b>	<b>Document</b> Identifier
<b>DISREP</b>	Discrepancy in Shipment Report (SF 364)
<b>DIST CO</b>	Distribution Code
<b>DLA</b>	Defense Logistics Agency
<b>DLAM</b>	Defense Logistics Agency Manual
DLSS	Defense Logistics Standard System
<b>DLSSO</b>	Defense Logistics Standard Systems Office
<b>DOD</b>	Department of <b>Defense</b>
<b>DODAAC</b>	Department of <b>Defense</b> Activity Address Code
<b>DODAAD</b>	Department of Defense Activity Address Directory
<b>DODAAF</b>	Department of Defense Activity Address <b>File</b>
<b>EAM</b>	Electronic Accounting Machine



<u>Acronym or Abbreviation</u>	<u>Definition</u>
FAS	Free Along Side
<b>FF&amp;V</b>	Fresh Fruits and Vegetables
FMS	Foreign Military Sales
FMSO	Foreign Military Sales Order
<b>f.o.b.</b>	Free on Board
FPMR	Federal Property Management Regulation
FTS	Federal Telecommunications System
FY	Fiscal Year
GBL	Government Bill of Lading
GFM	Government Furnished Materiel
GSA	General Services Administration
IA	Implementing Agency
IC	Interim Change
ICP	Inventory Control Point
IL	International Logistics
ILCO	International Logistics Control Office
IMM	Integrated Materiel Manager
<b>JANAP</b>	Joint Army, Navy, and Air Force Publication
LIDS	Logistics Information Data Services
LOGAIR	Logistics Airlift
MAC	Military Airlift Command
MAP	Military Assistance Program
<b>MILSBILLS</b>	Military Standard Billing System
<b>MILSTRIP</b>	Military Standard Requisitioning and <b>Issue</b> Procedures
<b>MIPR</b>	Military Interdepartmental Purchase Request
MOM	Military Official Mail
MRP	Materiel Returns Program
<b>MSC</b>	Military <b>Sealift</b> Command
NAFC	Navy Accounting and Finance Center
NATO	North Atlantic Treaty Organization
no.	Number
NSN	National Stock Number
<b>ODASD(MS)</b>	Office of the Deputy Assistant Secretary of Defense (Management Systems)
<b>OJCS</b>	Organization of the Joint Chiefs of Staff
<b>OSO</b>	Office of the Secretary of Defense



<u>Acronym or Abbreviation</u>	<u>Definition</u>
<b>PC&amp;H</b>	Packing, Crating, and Handling
<b>PCH&amp;T</b>	Packing, Crating, Handling, and Transportation
PIIN	Procurement Instrument Identification Number
<b>PMCL</b>	Proposed <b>MILSBILLS</b> Change Letter
POD	Port of Debarkation
POE	Port of Embarkation
<b>POL</b>	Petroleum, Oil, and Lubricants
pos.	Position(s)
PROJ CD	Project Code
QDR	Quality Deficiency Report (SF 368)
<b>R&amp;D</b>	Research and Development
RCS	Reports Control Symbol
<b>RFID</b>	Request for Implementation Date
<b>RI</b>	Routing Identifier
ROD	Report of Discrepancy (SF 364)
<b>SAAC</b>	Security Assistance Accounting Center
SAAM	Special Assignment Airlift Mission
SBR	Summary Billing Record
SF	Standard Form
TAC	Type Address Code
TFS	Treasury Fiscal System
<b>U/I</b>	Unit of Issue
U*S.	<b>United</b> States
USAF	United States Air Force
USAFAC	United States Army Finance and Accounting Center
<b>USG</b>	United States Government
<b>WIP</b>	Work in Progress

## REFERENCES

- (a) DoD Directive 4000.25, "Administration of Defense Logistics Standard Systems,"
- (b)** DoD 4000.25-7-S1, "Fund Code Supplement to **MILSBILLS**," authorized by DoD Directive 4000.25
- (c) DoD 5025-1-M, "DoD Directives System Procedures," authorized by DoD Directive 5025.1
- (d) DoD 7110.3-M, "Budget and Fiscal Coding Manual of the Office of the Secretary of Defense," authorized by DoD Instruction 7110.3
- (e) DoD 4000.25-D, "Department of Defense Activity Address Directory," authorized by DoD Directive 4000.25
- (f) DoD Directive 7420.1, "Regulations Governing Stock Fund Operations"
- (g) DoD Directive 7220.9, "DoD Accounting Policy"
- (h) DoD Instruction 7420.12, "Billing, Collection, and Accounting for **Sales** of Materiel from Supply System Stock"
- (i) DoD 7220.9-M, "Department of Defense Accounting Manual," authorized by DoD Directive 7220.9
- (j)** Department of Treasury Financial Management Manual
- (k)** DoD Supplement to the Federal Acquisition Regulation
- (l)** DoD Instruction 7510.4, "Uniform Policy for Charging Accessorial and/or Administrative Costs Incident to Issues, Sales, and Transfers of Materials, Supplies, and Equipment"
- (m)** Title 31, United States Code, Section 686a
- (n)** DoD 7290.3-M, "Foreign Military Sales Financial Management Manual," authorized by DoD Instruction 7290.3
- (o)** **DLAR 4140.60/AR 12-12/NAVMATINST 4355.72A/AFR 67-7/MCO 4140.1C**, "Processing Discrepancy Reports Against Foreign Military Sales Shipments"
- (p)** **AR 55-38/NAVSUPINST 4610.33C/AFR 75-18/MCO P4610.19D/DLAR 4500.15**, "Reporting of Transportation Discrepancies in Shipments"
- (q)** **DLAR 4140.55/AR 735-11-2/NAVMATINST 4355.73B/AFR 400-54/MCO 4430.3H**, "Reporting of Item and Packaging Discrepancies"
- (r)** **DLAR 4155.24/AR 702-7/NAVMATINST 4855.8D/AFR 74-6/MCO 4855.5D**, "Reporting of Product Quality Deficiencies Across Component Lines"
- (s)** DoD 4140.17-M, "Military Standard Requisitioning and Issue Procedures," authorized by DoD Directive 4000.25
- (t)** DoD 4140.29-M, "Defense Automatic Addressing System (**DAAS**)," authorized by DoD Directive 4000.25
- (u)** Joints Chiefs of Staff Allied Communications Publication 117
- (v)** Joints Chiefs of Staff Joint Army, Navy, and Air Force Allied Publication 128
- (w)** Volume 1 of DoD 4500.32-R, "Military Standard Transportation and Movement Procedures," authorized by DoD Directive 4000.25
- (x)** Supplement No. 1 to DoD 4140.17-M, "**MILSTRIP** Routing Identifier and Distribution Codes," authorized by DoD Directive 4000.25
- (y)** DoD 5105.38-M, "Security Assistance Management Manual," authorized by DoD Directive 5105.38
- (z)** Volume 10, "Multiple Application **References/Instructions/Tables** and Grids," of DoD 4100.39-M, "Defense Integrated Data System Procedures Manual"

## DEFINITIONS AND TERMS

ACCESSORIAL COSTS. Certain expenses incident to issues, sales, and transfers **of** materiel . They are defined to include:

1. packing, handling, and crating **costs**;
2. transportation costs;
3. port loading and unloading costs; and
4. positioning costs.

ADJUSTMENT REQUESTS. Data forwarded to billing offices to request and provide information necessary for adjustment of billings. Adjustment requests also include **followups** for adjustments for validated discrepancy reports and promised materiel return program credits.

ADMINISTRATIVE ADJUSTMENT REQUESTS. Requests for actions related to **billings** which do not **involve** monetary adjustment. Requests for billing status and copies of billings are examples of administrative adjustment requests.

ADMINISTRATIVE COSTS. General overhead expenses and other costs in operating the DoD or GSA logistics systems that are incident to the issue, sale, or transfer of materiel and are not included in the price of the materiel or as an accessorial cost.

ADVANCE PAYMENT. Amounts paid for materiel in advance of performance or delivery of the materiel. Amounts paid for other purposes in advance of the time the amounts are earned by the payee.

BILL. A statement of the amounts owed for the transfer or sale of **materiel** and for the performance of services incident to the transfer.

BILLED OFFICE. Any office designated to receive a bill.

BILLING ERROR. An error in a bill, at the bill or detail billing record level, which has one or more of the following characteristics:

1. duplicates **a** previous **bill** or **detail billing** record,
2. contains an error in amount,
3. assigns the wrong billed office; that is, designates the **billed** office in a manner which violates the requirements of **MILSBILLS**,
4. was not billed under the proper method (**noninterfund** versus interfund),
5. should not have been billed; for example, was **nonreimbursable**, the requisition was **cancelled**, or accessorial charge was inappropriate.

BILLING OFFICE. An office which prepares bills for materiel and services which are **subject to** the requirements of **MILSBILLS**.

**CENTRAL ACCOUNTS OFFICE,** A central accounts office is an office which has been authorized by the Army, Navy, Air Force, or the GSA to report inter fund and other disbursement data to the Department of the Treasury. Normally, these are the offices given the operational responsibility for implementing the service or agency level inter fund procedures. These offices are **USAFAC; NAFC; AFAFC;** and GSA regional offices located in Fort Worth, TX; New York, NY; Kansas City, MO; Washington, DC; and San Francisco, CA.

**CONSTRUCTIVE DELIVERY.** The delivery of materiel to a **commercial** carrier, freight forwarder, United States or international post office, or customer at point of production, storage, or test. **Delivery is evidenced by completed copies of shipping documents, MILSTRIP** materiel shipping documents, or a list of deliveries in a post office.

**C O N U S** **The conterminous** United States is comprised of the 48 **contiguous States** and the District of Columbia.

**DETAIL BILLING RECORD.** The lowest **level** of detail in a **bill**. At this **level of the bill**, billings for materiel are identified by the **document number**. When more than **one** shipment is involved, the **partial shipment, identified** by a document number suffix, is the lowest **level of detail**.

**DEFENSE LOGISTICS STANDARD SYSTEM.** A DoD **standard system** authorized by DoD **Directive** 4000.25. The systems are:

<b>DAAS1</b>	Defense Automatic Addressing System
<b>DoD LOGDESMAP</b>	DoD Logistics Data Element Standardization and Management Program
<b>DoDAAD</b>	DoD Activity Address Directory System
<b>DoDFMSCG</b>	DoD Foreign Military Sales Customer Guide
<b>ILCS1</b>	<b>International Logistics Communications System</b>
<b>MAPAD</b>	Military Assistance Program Address Directory
<b>MILSBILLS</b>	Military Standard <b>Billing System</b>
<b>MILSCAP</b>	Military Standard Contract Administration Procedures
<b>MILSPETS</b>	Military Standard Petroleum System
<b>MILSTAMP</b>	<b>Military Standard Transportation and</b> Movement Procedures
<b>MILSTEP</b>	Military Supply and Transportation Evaluation Procedures
<b>MILSTRAP</b>	<b>Military Standard Transaction Reporting and Accounting</b> Procedures
<b>MILSTRIP</b>	Military Standard Requisitioning and <b>Issue</b> Procedures
<b>RODS</b>	Report of Discrepancy <b>System</b>

**DISCREPANCY REPORT\*** A discrepancy report is any of the reports prescribed in DoD or joint Service or Agency publications for reporting **g item**, transportation, or quality **deficiencies**. Examples of the **se reports are:** SF 361, Discrepancy in Shipment Report, SF 364, Report of Discrepancy, SF 368, Quality **Deficiency** Report (Cat. **II**).

**1Administered by the DLA, others administered by the DLSSO.**

DoD COMPONENT. Office of the Secretary of Defense, the Military Departments<sup>2</sup>, the Organization of the Joints Chiefs of Staff, the Unified and Specified Commands, and the Defense Agencies.

DROP FROM INVENTORY. Reduction of the quantitative inventory balance.

DUPLICATE BILL. An exact duplicate of a previous bill or a bill supported **entirely** by duplicate billing records.

DUPLICATE DETAIL BILLING RECORD. A second or subsequent detail **billing record for a single shipment.**

INTERFUND BILL. A bill processed under the interfund billing system. These **bills** are not only "bills" but notices to the billed office that its funds have been disbursed and the bill "paid."

INTERFUND BILLING SYSTEM. Is an automated billing and fund transfer system. Under this system, a billing office forwards an automated billing (up to 494 detail billing records and a summary billing record which summarizes the details and provides the necessary fund transfer information) to a billed office. During the same month, the billing office advises its central accounts office of the **interfund** transfers (self-reimbursements) **it has** made. The central accounts office reports these transactions to the U.S. Treasury and to the central accounts office of the office whose funds have been disbursed. The billed office's central accounts office maintains a suspense file to ensure that the charge is cleared. The billed office, through processes unique to each Military Department, clears interfund disbursements by either accepting the charge (the funds disbursed may be corrected at the time of acceptance) or taking action to have the billing office reverse the transfer.

NONINTERFUND BILL. A bill which requires the billed office to pay by check or otherwise take actions to reimburse the "billing office. Examples of these bills are those which are prepared on an SF 1080, Voucher For Transfers Between Appropriations And/Or Funds, or, **by** GSA, on GSA Form 789, Statement, Voucher and Schedule of Withdrawals and Credits.

NONTRACEABLE SHIPMENT. A shipment by a mode or method wherein an audit trail between the various shipping elements and the consignee is not available or signed delivery receipts are not required from the consignee. Normally, shipments under mode/method codes G, **H**, and 6 are considered **nontraceable**. Exception to the **nontraceability** of these three modes include registered mail, certified return receipt, etc. Accordingly, the shipping transportation office normally must make the **nontraceability** determination.

OTHER DOD COMPONENT. A DoD Component identified by a **DODAAC** beginning with a Service/Agency code of "H." Examples include DMA, DNA, and **NSA**.

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<sup>2</sup>For purposes of **MILSBILLS**, the US Coast **Guard** is not a DoD Component.

PACKING, HANDLING, AND CRATING COSTS. Costs incurred for labor, materiel or services in preparing materiel for shipment from or between storage and distribution points.

PORT LOADING and UNLOADING COSTS. Costs incurred for labor, materiel or services for loading, unloading, and handling at the ports of embarkation and debarkation.

POSITIONING COSTS. Costs incurred in pre-positioning items in the **supply** distribution system of a Military Department at locations outside the United States in anticipation of support to other authorized customers.

PREMIUM TRANSPORTATION. Transportation by other than conventional rail, motor, or water freight, or parcel post service (e.g. commercial air service, exclusive use of the vehicle).

PROGRESS PAYMENT. Amounts paid for goods or services, not yet **delivered**, to finance that portion on which performance has been completed.

REQUISITION. A customer order for materiel at the national stock number or equivalent **level**.

SUMMARY BILLING RECORD. A record, used in the interfund billing system, which summarizes the values of detail billing records and provides other information needed to support transfers of funds between appropriations.

TRANSPORTATION COSTS. Costs paid to common carriers or DoD activities to move materiel.

VALIDATED DISCREPANCY REPORT. A discrepancy report in which the authorized processing **point** has both accepted for processing and confirmed or has **reasonable** reason to believe the **discrepancy** has occurred. For adjustment purposes, a ROD for **nonreceipt** is considered validated when the **nontraceability** of the shipment is determined by the shipping office.